



**CITIZENS BOND REVIEW COMMISSION
HUMAN RESOURCES BUILDING, PINNACLE ROOM
7575 E. MAIN STREET
SCOTTSDALE, ARIZONA 85251
APRIL 4, 2002**

MINUTES

PRESENT: Bernadette Phillips-Garcia, Chairman
Steven Sagert, Vice Chairman
Larry Beckner
James Britt
Thomas Lanin
William Magoon
Gregg Maxon
Lisa Samuel
Eric Schechter
Sue Sisley
Lee Tannenbaum
William Welch
Sam West

ABSENT: Monyette Dunlap-Green

STAFF: Judy Frost, Budget Director
Al Dreska, General Manager, Municipal Services Department
John Little, General Manager, Transportation Department
Don Penfield, Community Services Department
Dave Meinhardt, Department of Transportation
Roger Klingler, Assistant City Manager

CALL TO ORDER

The regular meeting of the Scottsdale Citizens Bond Review Commission was called to order by Chair Phillips-Garcia at 5:00 p.m.

MINUTES APPROVAL

On motion made by Commissioner Sisley, and seconded by Vice Chair Sagert, the minutes from the January 10, 2002 meeting were approved. The motion passed unanimously.

NEW BUSINESS

A. REVIEW PROPOSED TIMING MODIFICATIONS/RENAMING OF PROJECTS RELATED TO QUESTION 1 LIBRARY AND PARK IMPROVEMENT BONDS. MODIFICATIONS TO THE FOLLOWING PROJECTS ARE PROPOSED.

1. Aging Parks Facilities
2. Appaloosa Library
3. Arabian Library Phase II
4. Bike Path Improvements
5. CAP Basin Lighted Sports Complex
6. Civic Center Senior Center Replacement
7. DC Ranch Community Park
8. Desert Mountain Park
9. McDowell Mountain Ranch Park and Aquatic Center
10. Paiute Area Enhancement Bldgs 4 & 5 Renovation
11. Troon North Park
12. Youth Sports Lighting
13. McDowell Mountain Preserve Access

Ms. Frost advised the Commissioners that staff had been conservative in their projections due to the downturn in the economy. She explained that 45% of the revenues for the General Fund come from sales and bed taxes, and as a result of decreased revenues in those areas, several of the projects above have been recommended for delay.

Ms. Frost also announced that this would be her last meeting, due to her retirement in July. Chair Phillips-Garcia spoke for the Commission in thanking Ms. Frost for all of her efforts on behalf of the Board, and assured her that she would be missed.

Mr. Klingler advised the Commissioners that the process taking place for the current meeting would occur annually as staff puts the budget together before presentation to City Council. He added that there would be adjustments to the programs every year, but that due to the changes in the economy, there would be more adjustments this year.

Commissioner Tannenbaum inquired as to whether there is a time limit for these projects to be completed. Mr. Klingler responded that the projects could be delayed as necessary. She also asked about the economic impact on the projects as prices go up. Mr. Klingler replied that the impact could go either way depending on the market when staff goes out to bid for a project. He added that the interest rate in the market at the sale of the bonds is another variable that could be more favorable if the timing was right.

Commissioner Britt requested the dollar amount of the downdraft in sales tax revenue. Ms. Frost replied that they had experienced double-digit growth in sales tax revenues over the last few years, but staff is estimating 1% over last year's revenue for the current year.

Don Penfield reviewed the proposed project modifications. He noted that two goals were involved as a result of the changes.

1. To delay some of the dollars budgeted in order to more closely match the need to spend.
2. Because of large operating expenses, the delays on the capital side will assist on the operating side.

Commissioner West moved to recommend to City Council to approve including these timing modifications/renaming of projects in the 2002/2003-budget adoption. Commissioner Lanin seconded the motion, which passed unanimously.

B. REVIEW PROPOSED TIMING MODIFICATIONS/RE-NAMING/COMBINING OF PROJECTS RELATED TO QUESTION 7 TRANSPORTATION IMPROVEMENT BONDS. MODIFICATIONS TO THE FOLLOWING PROJECTS ARE PROPOSED.

1. Camelback Road – 64th to 68th St.
2. Hayden Road – Cactus to Redfield
3. Indian School Road – Drinkwater to Pima
4. Pima Road – Deer Valley to Pinnacle Peak
5. Pima Road – Pima Freeway to Pinnacle Peak
6. Pinnacle Peak Road – Scottsdale Road to Pima Road
7. Scottsdale Road – Pima Freeway to Pinnacle Peak
8. Thompson Peak – Bell Road to Union Hills
9. Thunderbird/Redfield – Scottsdale Road to Hayden
10. Loop 101 Park and Ride (PNR)
11. Mustang/Northsite Transit & Telecommuting Center
12. Regional Transit Maintenance Facility
13. Pedestrian Enhancements

John Little explained each of the projects listed, noting that there were advances and delays of funding, and some combining of funds to help facilitate the overall construction of bond projects.

Commissioner Britt asked about the safety of Pima Road. Mr. Little responded that statistics show that Pima Road operates more safely than the average road segment in Scottsdale. He noted that there was increased and focused police presence to monitor speed on the Pima Freeway. Commissioner West inquired as to the status of the facility proposed at the end of Cactus Road to allow equestrian use of McDowell Mountain Park. Mr. Meinhart responded that the project was in the new program and would be funded from the General Fund.

Chair Phillips-Garcia asked for clarification as to the Transit & Telecommunicating Center. Mr. Little explained that the proposed centers might have neighborhood circulator buses going into a central point to connect with main-line express bus routes, and areas for commuters to wait in comfort, perhaps with computer stations.

Commissioner Tannenbaum recalled that a presentation had been made regarding the beautification of Scottsdale Road from one end to the other. She asked about the status of that project. Mr. Dreska observed that Scottsdale Road is 27 miles long and that the funding approved for the beautification is \$27,000,000, severely limiting the scope of the project. Discussion ensued.

Commissioner Maxon commended staff for the new formatting of the information on bond changes. He remarked that it made it very easy to visualize the changes.

Vice Chair Sagert voiced concern about the interest rates and timing of the economy with regard to the proposed changes and stated that he would not support the approval of the changes. He stated that he had definite reservations about delaying money when there is such uncertainty about the economy two or three years hence. Ms. Frost responded that the amount of funding had been authorized by the voters, leaving staff no option as to changing the numbers. She also clarified that the property tax rate would be impacted by a delay in the sale of the bonds. She concluded by stating that many of the bond projects have a high operating impact that becomes the responsibility of the General Fund.

Commissioner West commented that in his experience, there is a direct correlation between a downturn in the economy and a reduction in construction. The reduction in construction results in reduction in prices. He went on to state that he would support the proposed changes.

Commissioner Beckner noted that there were 18 delays and 5 advances. He stated that if the changes were being made in accordance with prudent fiscal management, he would support them. However, he cautioned against missing timing on every project that the citizens had voted for, and stressed the importance of living up to commitments to the voters.

Mr. Klingler explained that the basis for the changes was indeed prudent fiscal management, but added that the City is doing significantly more citizen outreach. The effort to involve the citizens realistically involves more time due to the scope of the projects, and the increased number of residents in Scottsdale.

Commissioner Beckner moved to recommend to City Council to approve including these timing modifications/re-naming/combining of projects in the 2002/03–budget adoption. Commissioner West seconded the motion. The motion passed by a vote of 12 – 1, with Vice Chair Sagert dissenting.

OPEN CALL TO THE PUBLIC

No public comments were forthcoming.

PRESIDING OFFICER’S SUMMARY OF CURRENT EVENTS

Chair Phillips-Garcia advised the Commissioners that, as the next scheduled meeting was on July 4, it would be moved to July 11. Ms. Frost informed the Commission that they would be receiving an invitation to the Board and Commission recognition reception on April 23 at WestWorld.

Commissioner Lanin remarked that the attachments were excellent and helped clarify many areas of confusion.

Commissioner West reiterated the Commission's gratitude to Ms. Frost for her time and effort on behalf of the Commission.

ADJOURNMENT

With no further business to come before the Commission, being duly moved, the regular meeting the Citizens Bond Review Commission was adjourned at 6:25 PM.

Respectfully submitted,

“For the Record” Reporters